

Testimony of Chris Phelps, State Director, Environment Connecticut Before the Connecticut General Assembly Transportation and Environment Committees

Mar 11, 2022

RE:

HB 5039 AN ACT CONCERNING MEDIUM AND HEAVY-DUTY VEHICLE EMISSION STANDARDS

SB 4 AN AC CONCERNING THE CONNECTICUT CLEAN AIR ACT

Co-Chairs Lemar, Haskell, Cohen, Gresko, Ranking Members Carney, Somers, Miner, Harding and members of the Transportation and Environment Committees,

Environment Connecticut is a nonprofit, nonpartisan environmental advocacy organization. Together with our colleagues at Environment America and state environment groups across the country, we advocate for clean air, clean water, clean energy, open spaces, and a safe climate. We thank you for the opportunity to offer these comments regarding HB 5039 and SB 4.

Families in every Connecticut community continue to suffer harm from air pollution emitted from tailpipes of cars and trucks on our roads. While recent decades have seen Connecticut make some progress in cleaning its air, on too many days each year the levels of smog and other pollutants in the air we breathe are unhealthy.

In addition to our ongoing problems with air quality, Connecticut is also falling behind in its efforts to reduce emissions of carbon dioxide and other pollutants that are fueling global warming and climate change. Transportation remains the single largest source of such emissions. Unless the state acts quickly and decisively to slash emissions of CO2 from tailpipes and other transportation sources, Connecticut will fail to meet its statutorily mandated climate emissions reduction targets. Such failure would only hinder the state's efforts to do its part to reduce emissions and prevent the most catastrophic potential economic and public health and safety threats of climate change.

Our state must do more to quickly and significantly slash emissions of climate-harming pollution from transportation sources before we run out of time to avoid the worst effects of climate change. SB 4 and HB 5039 can help Connecticut make progress toward this goal.

HB 5039 AAC MEDIUM AND HEAVY-DUTY VEHICLE EMISSION STANDARDS:

HB 5039 authorizes the Commissioner of Energy and Environmental protection to adopt regulations implementing medium and heavy-duty motor vehicle emission standards identical to those adopted by California and other states. These emission standards, if adopted in Connecticut, would require truck manufacturers to sell increasing numbers of low and zero-emission medium and heavy-duty vehicles in the state. Since trucks and buses, while a small amount of the total vehicles on our roads, emit disproportionately large amounts of Connecticut's tailpipe pollution, adoption of these emissions standards could have a large benefit for both improving air quality and reducing climate pollution in Connecticut.

Connecticut first adopted California's tailpipe emissions standards for light-duty cars and trucks under the bipartisan Clean Cars Law enacted in 2004. That law helped dramatically reduce tailpipe pollution from cars and light trucks on our roads, reducing pollution and putting money back in driver's pockets through increased efficiency and savings at the gas pump. HB 5039 builds upon the success of clean car policy in Connecticut by extending the emissions standards to larger, even more polluting vehicles. Environment Connecticut strongly urges the legislature to approve HB 5039.

SB 4 AAC THE CONNECTICUT CLEAN AIR ACT

SB 4 seeks to reduce air pollution and climate emissions by implementing a suite of policies to accelerate the transition of vehicles on Connecticut's roads away from fossil fuels and towards zero-emissions electric vehicles.

Section 1 of the bill would require a steady transition in state fleet purchases of light duty vehicles reaching a 100% battery electric vehicle purchasing requirement by January 1, 2030. This is a good and necessary policy requiring the state government to lead by example in the decarbonization of cars and trucks on our roads.

In Sec. 1(c), the bill *repeals* the existing requirement that thirty percent of transit buses purchased by the state be zero-emission buses by January 1, 2030. The bill replaces this requirement with a prohibition on state purchase of diesel-fueled transit buses starting January 1, 2024. While we agree with the goal of ending purchase of new diesel buses, when that change is combined with repeal of the 2030 zero-emission bus requirement this could result in a transition from polluting diesel transit buses to reliance on similarly polluting vehicles powered by fuels such as propane or methane gas. - Environment Connecticut respectfully suggests that Sec. 1(c) of SB 4 be amended to *retain* the existing requirement that at least thirty percent of transit buses purchased or leased by the state be zero-emission vehicles no later than January 1, 2030. We further suggest that inclusion of a requirement that one hundred percent of transit bus purchases be zero-emission vehicles by 2035.

Sections 2 & 3 of the bill establish "right-to-charge" policies to enable residents of condo and other associations, as well as renters, to more readily access electric vehicle charging at their residence. Adoption of well designed right-to-charge policies is vital if Connecticut is going to achieve eventual full transition of its light duty vehicle fleet to electric vehicles. Ensuring that state residents who do not own single family homes greater access to easy and convenient on-demand electric vehicle charging will help remove a significant barrier to accelerated consumer adoption of battery electric vehicles. Environment Connecticut strongly supports the right-to-charge and urges the committees to engage with all stakeholders to ensure that this policy is well-designed and focused on removing barriers to charging for residents of these communities.

Section 4 of the bill requires revision of the State Building Code to establish requirements for EV charging infrastructure associated with new construction of state facilities, schools, and commercial buildings. It also allows municipalities to establish more stringent requirements for such installations. - Environment Connecticut supports requiring provision for electric vehicle charging in new construction. However we respectfully suggest that the language should be amended to allow property owners to comply with the section's charging infrastructure requirements by substituting fast chargers instead of level 2 chargers.

Section 6 of the bill makes substantial changes to the Connecticut Hydrogen and Electric Automobile Purchase Rebate (CHEAPR) program. CHEAPR is an important program offering Connecticut consumers incentives to reduce the up-front costs associated with purchasing new and used battery electric and plug-in hybrid electric vehicles.

The existing CHEAPR program design is intended to efficiently use existing funding for consumer incentives to accelerate consumer adoption of zero-emission electric vehicles in Connecticut. The bill changes the CHEAPR program details in multiple specific ways:

- Revises the composition of the CHEAPR board and shifts responsibility for design and administration of the CHEAPR program from the board to DEEP.
- Repeals the requirement that CHEAPR provide consumer rebates totalling *at least* three million dollars annually.
- Expands eligibility for CHEAPR rebates beyond individual consumers to include municipalities, business fleets, nonprofits, and tribal entities.
- Makes electric bicycle purchasers eligible to receive \$500 "vouchers," and prescribes detailed requirements for DEEP and CHEAPR to offer such vouchers to consumers who live in certain communities or meet certain income criteria.
- It requires CHEAPR to offer a \$5,000 vehicle purchase incentive for residents of environmental justice communities.
- Establishes in statute a fixed cap of \$50,000msrp for vehicles to be eligible to receive a CHEAPR rebate.

Environment Connecticut supports any effort to increase available funding for consumer incentives that accelerate consumer adoption of electric vehicles. However, we have some concerns regarding the scope of the substantial changes to the CHEAPR program proposed in

Section 6, and the potential for unintended consequences that could undermine the overall effectiveness of the program.

Expanding eligibility for CHEAPR rebates to municipalities, businesses, and other large fleet purchasers, could result in over-allocation of available rebate funding to such entities, shutting individual consumers out of access to the program. - We respectfully suggest that it may be more effective to utilize mechanisms other than the consumer-oriented CHEAPR program to support fleet operator purchase of zero-emission vehicles.

Establishing a fixed \$5,000 rebate for residents of designated environmental justice communities, and not allowing for the incentive amount to be determined through the program design process, could result in excessive subsidization of vehicles and a reduction in the program's efficient use of available monies. Additionally, it appears that the intent is to extend eligibility for this enhanced rebate specifically to low and moderate income consumers. However, by restricting eligibility for the enhanced \$5,000 rebate to residents of particular communities, regardless of income, the bill would likely result in offering higher-income residents of those communities a larger rebate than lower income residents of communities not specifically designated as environmental justice communities. That outcome would not serve either the goal of increasing equity in access to electric vehicle ownership or of maximizing efficient use of program funding. Lastly, while an increased rebate (as the existing CHEAPR program provides) for low and moderate income consumers is a good idea, fixing the amount of any such rebate in statute rather than through the program administration and design process, runs the risk of setting that rebate at a level that does not efficiently or effectively benefit such consumers in the future.

Similarly, establishing a fixed \$50,000MSRP cap on eligibility for rebates in statute could result in future constraints on the effectiveness of the program due to inflation. However, we do support and have urged the CHEAPR board to raise the program's MSRP cap as this provision would do. Therefore, we respectfully suggest that the committee amend the bill to set the cap at no less than \$50,000, allowing the program administrator to raise the cap in future years if and as dictated by inflation of overall industry-wide vehicle MSRP levels.

Section 16 requires that all school buses in designated environmental justice communities be zero-emission vehicles by January 1, 2030 and that all school buses statewide be zero-emission vehicles by January 1, 2035. - Environment Connecticut strongly supports this provision to get dirty, polluting school buses off of Connecticut's roads.

Thank you again for the opportunity to comment on this important legislation.

Sincerely,

Chris Phelps
State Director, Environment Connecticut